

**MINUTES OF MEETING
FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Flow Way Community Development District’s Board of Supervisors was held on Thursday, September 12, 2013, at 9:30 a.m., at the Offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.

Present and constituting a quorum were:

John Asher	Chairman
Keith Berg	Assistant Secretary
Don Milarsik	Assistant Secretary
Dennis Gilkey	Assistant Secretary
Ethan Julin	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel
David Willems	Waldrop Engineering
Ron Waldrop	Waldrop Engineering

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 9:40 a.m. The record will reflect that all supervisors are present at roll call with the exception of Supervisors Neuweiller and Squitieri were absent.

SECOND ORDER OF BUSINESS

**Administration of the Oath of Office
From To Keith Berg – (Appointed
June 11, 2013, To Fill the
Unexpired Term of Office For Seat
Four (4))**

- a) **Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- b) **Form 1 – Statement of Financial Interests**

Mr. Ward stated for the record, I’m a notary in the state of Florida, and I’m going to take a moment and administer this oath to you. Keith Berg was duly sworn by Mr. Ward

Mr Ward asked Mr. Berg to sign the oath of office, put your name in the appropriate two spots, return it to me, and I will notarize it and make it a part of the public record for you. Attached to the oath that I gave you is a Form 1, statement of financial interest. You are required by law to file that within 30 days of your being seated at today's Board meeting. It's required that you file it with the Supervisor of Elections in the County in which you reside. If you have any questions concerning it, you are welcome to call myself or Mr. Greg Urbancic and we will help you through the process. The Supervisors of Elections can find you these days if you do not do that, and some of them have been, so I suggest you make sure that that gets done.

Mr. Berg asked in addition to the one that I've already filed for the year?

Mr. Ward asked you've filed one for this District already?

Mr. Berg stated no, for others.

Mr. Ward stated then you need to amend that particular form and include this District on the form on file.

Mr. Berg asked is there another form to amend?

Mr. Ward stated no, you have to use the same form, and you probably fill it out with the exact same information that you've already filed. Attached to that is a guide to the Sunshine Amendment and the Code of Ethics for public employees. I won't take the time to go through it with you, but if you have any questions, Greg or I will certainly be glad to answer them. One piece of the legislation that we will talk to you about is the Sunshine Law. It basically means that no two members of the Board may do business outside of an open, noticed public meeting, nor may you use a member of your staff or a member of the public to communicate to another member of the Board on a matter which may foreseeably appear before the Board.

Violations of the Sunshine Law are considered ethics violations of the statute. That means that if you're ever charged with an ethics violation, you'll have to defend yourself individually, and the Board cannot do it simply because you are considered to be acting outside of your scope and authority as a member of the Board. In the 30 years that I've been doing this, I've never had a board member charged with an ethics violation. I tell you if you have a question, call either myself or call Greg, we'll be happy to help you through the

process, and if you're uncomfortable with that, just bring up the matter before the Board, but do not contact another member of the Board itself.

E-mails are considered public record, so if you email another member of the Board about matter which may foreseeably appear before it, that constitutes a violation of the law also, so we would also suggest that you if you do have an email communication, please just keep it outside members not on the Board or amongst your staff. Any questions?

Mr. Berg stated no.

THIRD ORDER OF BUSINESS

Acceptance of Resignation of Mr. Ronald Waldrop

Mr. Ward stated we do this as a matter of record only; it becomes effective on the date that he submitted it, which was September 6, 2013, so I'll ask that you go ahead and accept the resignation for purposes of inclusion in the record only.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, the resignation of Mr. Donald Waldrop was accepted.

FOURTH ORDER OF BUSINESS

Consideration of the Appointment of One (1) Individual To Fill the Unexpired Term of Office For Seat 5 (Ronald Waldrop)

Mr. Ward stated the statute permits the Board to do that unilaterally by motion, second and you can either pick someone or you can choose to discuss it a little further, but I'll open it up and see if you have any further discussion on that.

Mr. Asher stated I would like to nominate Mr. Ethan Julin to fill the vacant position.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, the appointment of Ethan Julian to fill the unexpired term of office for Seat 5 (Ronald Waldrop) was approved.

FIFTH ORDER OF BUSINESS

Administration of the Oath of Office To the Newly Appointed Supervisor Ethan Julian

- a) **Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- b) **Form 1 – Statement of Financial Interests**

Mr. Ward stated since Mr. Julin is with us, I would take a moment and swear him in. Again, for the record, I am a notary of the state of Florida. Ethan Julin was duly sworn. I'll ask that you sign it and put your name in the appropriate two spots, return it to me, I'll notarize it and make it part of the public record. Since you are in the room and heard my last comments to Mr. Berg, if you have any questions, please give Greg or I a call. Again, please make sure you do file your Form 1.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2013-18 Re-designating Officers of the Flow Way Community Development District; Providing For Severability and Invalid Provision; Providing for Conflict and Providing for an Effective Date

Mr. Ward stated the current officers are Mr. Asher as your Chairman, and Mr. Gilkey and Milarsik as assistant secretaries, and I serve as your treasurer and secretary. You may add the two new Board members as assistant secretaries or decide to reorganize the Board in its entirety at this point. If you want to just add the two members as assistant secretaries, a motion to adopt the resolution with those two names would be in order.

Mr. Gilkey asked do we need a vice though, Jim?

Mr. Ward stated I'm sorry, yes, as a vice chairman and an assistant secretary, so you have to pick one as a vice chairman and one as an assistant secretary.

Mr. Asher stated I will nominate Mr. Berg as the vice chairman.

Mr. Ward stated can you just make that a motion and add Mr. Berg as a vice chairman and Mr. Julin as an assistant secretary.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, Resolution 2013-18 was approved, with Mr. Berg appointed as the Vice Chairman, and Mr. Julin appointed as an Assistant Secretary.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2013-19 of the Board of Supervisors of the Flow Way Community Development District; Rescinding Resolution 2013-14, Which Resolution, Among Other Things, Declared Special Assessments and the Manner In Which Said Special Assessments Would Be Made , and Called for a Public Hearing To Consider the Advisability and Propriety of Said Special Assessments and the Related Improvements; Providing for Severability, Providing for Conflict; and Providing for an Effective Date

Mr. Ward stated there were two resolutions, 2013-18 and 2013-19, items six and seven consecutively. Both resolutions rescind the two resolutions that we started in June, which started the special assessment process for the District. As you saw in your agenda package, we're going to restart that process, as we had some changes to the engineer's report and the methodology since you're June meeting. If you have any questions on either of them, I'll be glad to answer them, but first I'll ask for a motion to adopt Resolution 2013-19, which rescinds your resolution 2013-14.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-19 was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2013-20 of Flow Way Community Development District; Rescinding Resolution 2013-15, Which Resolution, Among Other Things, Set a Public Hearing for the Purpose of Hearing Public Comment On Imposing Special Assessments; Providing for Severability, Providing For Conflict; and Providing for an Effective Date

Mr. Ward stated the approval of Resolution 2013-20 would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-20 was approved.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2013-21 of the Board of Supervisors of Flow Way Community Development District Declaring Special Assessments; Indicating the Location, Nature and Estimated Cost of Those Improvements Which Cost Is to be Defrayed In Whole or In Part by the Special Assessments; Providing the Portion of the Estimated Cost of the Improvements to be Defrayed In Whole or In Part by the Special Assessments; Providing the Manner In Which Such Special Assessments Shall be Made; Providing When Such Special Assessments Shall be Made; Designating Lands Upon Which the Special Assessments Shall be Levied; Providing for an Assessment Plat; Adopting a Preliminary Assessment Roll; Providing for a Public Hearing To Consider The Advisability and Propriety of Said Assessments and the Related Improvements; Providing for Notice of Said Public Hearing; Providing for Publication of This Resolution; and Providing an Effective Date

Mr. Ward stated items nine and ten are the two resolutions, which are basically the same resolutions that you saw at your last meeting which started your special assessment process. As a part of this, you will be adopting or approving the revised engineer's report, the revise methodology that we had from the last meeting. I'll ask Mr. Willems to take a few moments and go through the changes that he made to the engineer's report from the last

time that we started this process. I'll go ahead and update you quickly on my revisions to the methodology.

Mr. Willems stated we made some changes to both the Master Engineer's Report and the Phase I & Phase II. The only change made to the Master is related to total cost. Some of the costs were changed; in all cases the cost went down, and I'll go over what those costs are. The total cost is now with the contingency \$35,090,000, which is less than what it was previously. On the Phase I & Phase II Engineer's Report, the cost changed, because the total coast changed, and there was some minor changes to how a couple of the costs were distributed for the property owners.

On the storm water management, it's a relatively minor change. Instead of going through to calculate the estimated flow off the site, what we used was the anticipated impervious area, which is commonly used as a surrogate for flow. So it's just a minor change. It still is a measure of Flow, but it was a little bit simpler, and that is just the impervious area. That's similar to the way that a lot of municipalities handle their storm water fees, so that's how we changed the storm water. Wastewater did not change the way that we allocated, same with irrigation; it's still based on pervious area.

Landscaping, for the exterior landscaping, it was previously allocated based on each lot was the same amount. We went back and looked at that and thought that it really made more sense, possibly to look at the area for each lot. A larger lot really does get more benefit from the community as a whole as far as property values. So that's how it was allocated based on lot size instead of just each lot has the same allocation. Offsite improvements, did not change anything there. It's still based on the amount of trips that are anticipated from each of the land uses. Environmental mitigation, we did similar to the offsite landscape improvements. We based that on the lot size instead of just one allocation for each lot, so it's based on lot size instead of it being evenly distributed per lot owner.

Professional fees, we did the same thing. Previously it was each lot paid the same, and now it's based on lot size, and those are the changes that were made.

Mr. Ward asked any questions from the Board?

Mr. Gilkey asked on your breakdown, your page one and two, costs on Table 25. Is the golf course an amenity, is that the assessment that would apply or the allocation that would apply to the golf course or just the amenity portion of the club, that \$242? The 322

units that are in Phase I and II are released from the underlying mortgage. The golf course has not been released.

Mr. Asher stated right. Is that clear on how that works from a mortgage encumbrance.

Mr. Willems stated it wouldn't be the golf course itself. Any of those improvements are really more on the clubhouse. The golf course itself doesn't really have a water or wastewater component to it, it's really the clubhouse that has that. Now the irrigation part of it, the golf course has its own irrigation system, so it's not being charged for the irrigation.

Mr. Gilkey stated I see your surface water is zero, so that would just be the clubhouse then.

Mr. Willems stated correct.

Mr. Ward asked any other question from the Board? From my methodology perspective, there has been no changes to the methodology, per say, other than to update it with respect to the new cost allocation. What it does when you do that is revise the size of the financing, and it revises the end unit assessments in the tables. That is the only effect with the respect to the changes that David has made to the Engineer's report and the methodology itself. Any questions from the Board? Hearing none, a motion to adopt Resolution 2013-21 would be in order.

Mr. Willems stated just for the record, it's the revised version that was just distributed by Jim.

Mr. Asher stated I see that it references both of the engineer's reports. I

Mr. Willems stated the reason that we did that, John, is consulting with bond counsel, we wanted to have both of the reports right in front, so that we had a description that flowed as to where the Phase I and Phase II were.

Mr. Ward asked any further questions?

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, Resolution 2013-21 was approved.

be Held On Monday, October 14, 2013, At 9:30 a.m. at the Offices Of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103m for the Purpose of Hearing Public Comment On Imposing a Special Assessment On Certain Propriety Within the District Generally Described as the Flow Way Community Development District In Accordance With Chapters 170, 190 and 197, Florida Statutes; and Providing an Effective Date

Mr. Ward stated the public hearing is scheduled for Monday, October 14, 2013, at 9:30 here at the offices of Coleman, Yovanovich & Koester. It starts the process of mailed notices to property owners. Those will go out today, and property owners will receive their mailed notices tomorrow by Federal Express. If you have any questions, I'll be glad to answer them for you. If not, the resolution is in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-22 was approved.

ELEVENTH ORDER OF BUSINESS

Consideration of Resolution 2013-23 of the Board of Supervisors of Flow Way Community Development District Expressing The Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem Assessments and Setting Forth the Legal Description of the Real Property Within the District's Jurisdictional Boundaries that May Or Shall Be Subject to the Levy of District Non-Ad Valorem

Assessments; Providing for Severability and Invalid Provisions; Providing for Conflict and Providing an Effective Date

Mr. Ward stated if you recall, we did start this process also at your last Board meeting, and this is what we commonly refer to as the notice of intent to levy our assessments and collect those assessments pursuant to what we call the Uniform Method. This means that at some point in the future, we will include our capital assessments and, in all likelihood, our operating assessments on the property tax bills that future homeowners will receive in November of each year from the Tax Collector here in Collier County. The statute requires us to go through this public hearing process to notify both the Property Appraiser and Tax Collector of this intent to utilize the Uniform Method, and you will eventually enter in agreements with both the Property Appraiser and the Tax Collector to put those on the tax roll.

The public hearing is scheduled for October 14, 2013, at 9:30 here at the offices of Coleman, Yovanovich & Koester. If you have any questions, I'll be glad to answer them, otherwise Resolution 2013-23 is in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-23 was approved.

TWELFTH ORDER OF BUSINESS

Public Hearings

a) Fiscal Year 2013 Budget

I. Public Comment

Mr. Ward stated this is two public hearings; the first is related to your Fiscal Year 2013 Budget, and then the second public hearing is also related to your 2014 Budget. The first thing that I will do is ask the Board, by motion, to open your public hearing.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, opening the discussion to public comment was approved.

Mr. Ward stated the record will reflect there are no members of the public present in person, and I have not received any written communications with respect to the consideration of your 2013 Budget. As such, I'll ask the Board by motion to close your public hearing.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, closing the discussion to public comment was approved.

II. Board Comment

Mr. Ward asked is there any Board comment or questions with respect to your 2013 Budget? Hearing none, then a motion to adopt Resolution 2013-24 would be in order.

III. Consideration of Resolution 2013-24, the Annual Appropriation Resolution of the Flow Way Community Development District (The "District") Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2012, and Ending September 30, 2013; Providing for a Severability Clause; Providing for Conflict and Providing for an Effective Date

Mr. Ward stated hearing none, then a motion to adopt Resolution 2013-24 would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-24 was approved.

b) Fiscal Year 2014 Budget

I. Public Comment

Mr. Ward stated the first thing we'll do is a motion to open your public hearing.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, opening the discussion to public comment was approved.

Mr. Ward stated the record will reflect that there are no members of the public present in person, and I've not received any written communications with respect to the

consideration of the Fiscal Year 2014 budget. As such, a motion to close your public hearing is in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, closing the discussion to public comment was approved.

II. Board Comment

No Discussion.

III. Consideration of Resolution 2013-25, the Annual Appropriation Resolution of the Flow Way Community Development District (The “District”) Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2013, and Ending September 30, 2014; Providing for a Severability Clause; Providing for Conflict and Providing for an Effective Date

Mr. Ward stated the resolution is in order and recommended for your consideration.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-25 was approved.

THIRTEENTH ORDER OF BUSINESS

Consideration of Agreement With Taylor Morrison to Fund the General Fund Operations for Fiscal Year 2014

Mr. Ward stated the agreement with Taylor Morrison with respect to funding both your 2014 budget. This is the same agreement that we had presented to you and adopted when you adopted the proposed budget for Fiscal Year 2013 some time ago. If you have any questions, I’ll be glad to answer them, otherwise the agreement is in order and recommended for your consideration.

Mr. Asher stated my only question is did Michelle Campbell in our office look at this?

Mr. Ward stated at the time Mr. Squitieri had it reviewed by developer’s counsel. It is essentially the same agreement, but I will forward that to him again to see if he has any more comments on it. If he does, we’ll just approve it subject to any comments.

Mr. Asher stated sure, but also forward it to Michelle.

Mr. Ward stated I will.

A male speaker stated just so she knows. A lot of times it has to do with timing. I mean I don't see this being an issue, but you never know.

Mr. Ward stated yes, I actually don't think there's any timing in here. I think it just says you pay.

Mr. Asher stated sure, a lot of the agreements for the assessments end up being a big deal and how they split them up.

Mr. Ward stated yes, probably more than a year from now. A motion to adopt the agreement, subject to review by Taylor Morrison and by Taylor Morrison's counsel would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, the agreement with Taylor Morrison to fund the General Fund Operations for Fiscal Year 2014 was approved.

FOURTEENTH ORDER OF BUSINESS

Consideration of Resolution 2013-26 Of The Board of Supervisors of the Flow Way Community Development District Designating Dates, Times and Location for Regular Meetings of the Board of Supervisors of the District; Providing for Conflict; Providing for Severability and Providing an Effective Date.

Mr. Ward stated the laws requires us to adopt a meeting schedule if we do decide to do it. I scheduled them for the second Thursday of each month at 1:30 p.m. here at the offices of Coleman, Yovanovich & Koester. The timing is actually more for my schedule, since I'm on this coast on that day, but you don't have to have it on this day. I suspect we at least until we get through the financing on this project that will probably cut down the number of meetings from once a month to wherever they need to be. If there are any questions, I'll be glad to answer them, otherwise a motion to adopt the resolution would be in order.

On MOTION made by Mr. Gilkey and seconded by Mr. Asher, with all in favor, Resolution 2013-26 was approved.

ADDED ITEM – FIFTEENTH ORDER OF BUSINESS

Consideration of Resolution 2013-27 of the Board of Supervisors Of the Flow Way Community Development District; Expressing the Intent of the District to use the Uniform Method of levy, collection and Enforcement of Non-Ad Valorem Assessments as authorized and permitted by Section 197.3632 F.S. Expressing the need for the levy of Non-Ad Valorem assessments and setting forth the legal description of the real property within the District's jurisdictional boundaries that may or shall be subject to the levy of District Non-Ad Valorem Assessments. Providing for Conflict; Providing for Severability and Providing an Effective Date.

Mr. Ward stated I have one add item for you. I'll pass out this resolution to you. We will number this Resolution 2013-27, and as I mentioned to you when we expressed our intent to use the Uniform Method, pursuant to that resolution, we had also adopted that in June. But with the change that we're making to the engineer's report and, subsequently, to the methodology, we restarted that process today. This resolution rescinds what was adopted in June, which was Resolution 2013-17 regarding the notice of intent to utilize the Uniform Method. That resolution is in order and recommended for your consideration.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2013-27 was approved.

FIFTEENTH ORDER OF BUSINESS

Staff Reports

- a) **District Attorney**

No report

b) District Engineer

No report

b) District Manager

No report

SIXTEENTH ORDER OF BUSINESS

Supervisors' Requests

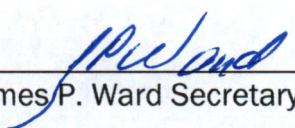
Mr. Ward asked anything from the Board? Let the record reflect that there are no members of the audience present.

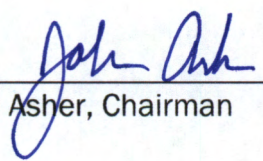
SEVENTH ORDER OF BUSINESS

Adjournment

Mr. Ward stated a motion to adjourn would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, the meeting was adjourned at 10:08 a.m.


James P. Ward Secretary


John Asher, Chairman

OATH OR AFFIRMATION OF OFFICE

I, ETHAN JULIN, a citizen of the State of Florida and of the United States of America, and being an officer of the **Flow Way Community Development District** and a recipient of public funds as such officer, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida, and will faithfully, honestly and impartially discharge the duties devolving upon me as a member of the Board of Supervisors of the **Flow Way Community Development District, Collier County, Florida.**

Ethan Julin
Signature

Printed Name: Ethan Julin

STATE OF FLORIDA
COUNTY OF COLLIER

Sworn to (or affirmed) before me this 12 day of SEPTEMBER, 2013, by ETHAN JULIN, whose signature appears hereinabove, who is personally known to me or who produced / as identification.

James P Ward
NOTARY PUBLIC
STATE OF FLORIDA

Print Name: _____
My Commission Expires _____



OATH OR AFFIRMATION OF OFFICE

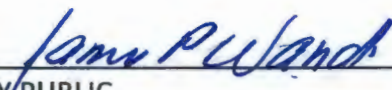
I, Keith Berg, a citizen of the State of Florida and of the United States of America, and being an officer of the **Flow Way Community Development District** and a recipient of public funds as such officer, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida, and will faithfully, honestly and impartially discharge the duties devolving upon me as a member of the Board of Supervisors of the **Flow Way Community Development District**, Collier County, Florida.

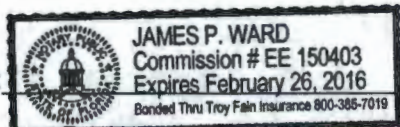

Signature

Printed Name: Keith Berg

STATE OF FLORIDA
COUNTY OF COLLIER

Sworn to (or affirmed) before me this 12 day of September, 2013, by Keith Berg, whose signature appears hereinabove, who is personally known to me or who produced / as identification.


NOTARY PUBLIC
STATE OF FLORIDA

Print Name: 
My Commission Expires: _____